

NOTICE OF PROPOSED CHANGES IN REGULATIONS OF THE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS)

ITEM #1 CalWORKs Income or Household Composition Reporting

The CDSS hereby gives notice of the proposed regulatory action(s) described below. Any person interested may present statements or arguments orally or in writing relevant to the proposed regulations at a public hearing to be held on March 14, 2018, at the following address:

Office Building # 8
744 P St. Room 103
Sacramento, California

The public hearing will convene at 10:00 a.m. and will remain open only as long as attendees are presenting testimony. The purpose of the hearing is to receive public testimony, not to engage in debate or discussion. The Department will adjourn the hearing immediately following the completion of testimony presentations. The above-referenced facility is accessible to persons with disabilities. If you are in need of a language interpreter at the hearing (including sign language), please notify the Department at least two weeks prior to the hearing.

Statements or arguments relating to the proposals may also be submitted in writing, e-mail or by facsimile to the address/number listed below. All comments must be received by 5:00 p.m. on March 14, 2018.

Following the public hearing CDSS may thereafter adopt the proposals substantially as described below or may modify the proposals if the modifications are sufficiently related to the original text. With the exception of nonsubstantive, technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption to all persons who testify or submit written comments during the public comment period and all persons who request notification. Please address requests for regulations as modified to the agency representative identified below.

Copies of the express terms of the proposed regulations and the Initial Statement of Reasons are available from the office listed below. This notice, the Initial Statement of Reasons and the text of the proposed regulations are available on the internet at <http://www.cdss.ca.gov/inforesources/Letters-Regulations/Legislation-and-Regulations/CDSS-Regulation-Changes-In-Process-and-Completed-Regulations/Public-Hearing-Information>. Additionally, all the information which the Department considered as the basis for these proposed regulations (i.e., rulemaking file) is available for public reading/perusal at the address listed below. Following the public hearing, copies of the Final Statement of Reasons will be available from the office listed below:

Office of Regulations Development
California Department of Social Services
744 P Street, MS 8-4-192
Sacramento, California 95814

TELEPHONE: (916) 657-2586
FACSIMILE: (916) 654-3286
E-MAIL: ord@dss.ca.gov

CHAPTERS

Manual of Policies and Procedures Chapter 44-300

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Assembly Bill (AB) 2062 prohibits counties from assessing an overpayment (OP) for a California Work Opportunity and Responsibility to Kids (CalWORKs) program recipient for the month following a change in income if the recipient reported the change and the county was unable, before the first of the month following the change in income, to provide 10-day notice of the termination or reduction in benefits. For CalWORKs cases in which only the child or children in the household are aided, AB 2062 additionally prohibits counties from assessing an OP for a change in household composition if the recipient reported the change and the county was unable, before the first of the month following the change in income, to provide 10-day notice of the termination or reduction of benefits. Note legislative deadline is for the regulations to be effective no later than July 1, 2018.

These regulations add to the following CalWORKs policy areas: reporting changes affecting eligibility, grant determinations, county actions, and overpayments due to the inability to provide 10-day notice of adverse action. These regulations amend the Manual of Policies and Procedures (MPP) sections 44-316.311 and 44-350.5.

Benefits:

The benefits of the regulatory action to the health and welfare of California residents, worker safety, and the state's environment are as follows: The amendments to the CalWORKs regulations as required by AB 2062 will benefit the health and welfare of CalWORKs recipients by eliminating a rule that currently results in unavoidable debt accrual for recipients. This change may positively impact these clients' lives and could help them make the move towards self sufficiency more successfully. Furthermore, the regulation changes required by AB 2062 removed a disincentive for CalWORKs clients to find employment as previous law required a county to issue an OP when a CalWORKs client started working and reported the change in income in a timely notice but the county was unable to issue a 10-day notice. There is no effect on worker safety, and the state's environment as the result of the proposed regulations because the regulations only affect individuals participating in the CalWORKs program.

Consistency:

The CDSS has found these regulation amendments neither inconsistent or incompatible with existing regulations because research was done by program to determine that these are non-duplicating and non-repetitive regulations, and that they do not negate or overlap other existing regulation or law. Further, these regulations are not duplicative of any federal law.

Incorporation by Reference:

This regulation action does not incorporate by reference any form or document.

COST ESTIMATE

1. Costs or Savings to State Agencies: None. No general fund costs are included in the Budget.
2. Costs to Local Agencies or School Districts Which Must Be Reimbursed in Accordance With Government Code Sections 17500 - 17630: None
3. Nondiscretionary Costs or Savings to Local Agencies: None
4. Federal Funding to State Agencies: TANF funds of \$195,000 fiscal year (FY) 2016-17 and \$217,000 FY 2017-18.

LOCAL MANDATE STATEMENT

These regulations do impose a mandate on local agencies, but not on local school districts. There are no reimbursable state-mandated costs under Section 17500 et seq. of the Government Code, because these regulations only make changes to an existing administrative process and system configuration updates.

STATEMENT OF SIGNIFICANT ADVERSE ECONOMIC IMPACT ON BUSINESS

The CDSS has made an initial determination that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. This determination was made based on the fact that these regulation changes are only applicable to CWDs.

STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

The CDSS is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

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SMALL BUSINESS IMPACT STATEMENT

The CDSS has determined that there is no impact on small businesses as a result of filing these regulations because these regulations are only applicable to current clients and assistance units of the CalWORKs program and the state and county agencies that offer it.

STATEMENT OF RESULTS OF ECONOMIC IMPACT ASSESSMENT

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California. The benefits of the regulatory action to the health and welfare of California residents, worker safety, and the state's environment are as follows: The amendments to the CalWORKs regulations as required by AB 2062 will benefit the health and welfare of CalWORKs recipients by eliminating a rule that currently results in unavoidable debt accrual for recipients. This change may positively impact these clients' lives and could help them make the move towards self-sufficiency more successfully. Furthermore, the regulation changes required by AB 2062 removed a disincentive for CalWORKs clients to find employment as previous law required a county to issue an OP when a CalWORKs client started working and reported the change in income in a timely notice but the county was unable to issue a 10-day notice. There is no effect on worker safety, and the state's environment as the result of the proposed regulations because the regulations only affect individuals participating in the CalWORKs program.

STATEMENT OF EFFECT ON HOUSING COSTS

The proposed regulatory action will have no effect on housing costs.

STATEMENT OF ALTERNATIVES CONSIDERED

In developing the regulatory action, CDSS considered the following alternatives with the following results: No alternatives have been presented for review.

The CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

AUTHORITY AND REFERENCE CITATIONS

Authority: Sections 10553, 10554, and 11369, Welfare and Institutions Code;

Reference: Sections 11265.3 and 11265.47, Welfare and Institutions Code.

CDSS REPRESENTATIVE REGARDING THE RULEMAKING PROCESS OF THE PROPOSED REGULATION

Contact Person: Kenneth Jennings (916) 657-2586

Backup: Sylvester Okeke (916) 657-2586